

Please Note: These transcripts are not individually reviewed and approved for accuracy.

BOARD MEETING
STATE OF CALIFORNIA
INTEGRATED WASTE MANAGEMENT BOARD

JOE SERNA, JR., CALEPA BUILDING
1001 I STREET
2ND FLOOR
CENTRAL VALLEY AUDITORIUM
SACRAMENTO, CALIFORNIA

TUESDAY, AUGUST 17, 2004

9:35 A.M.

TIFFANY C. KRAFT, CSR, RPR
CERTIFIED SHORTHAND REPORTER
LICENSE NUMBER 12277

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

BOARD MEMBERS

Linda Moulton-Patterson

Rosario Marin

Rosalie Mul

Michael Paparian

Cheryl Peace

Carl Washington

STAFF

Mark Leary, Executive Director

Julie Nauman, Chief Deputy Director

Marie Carter, Chief Counsel

Robert Conheim, Staff Counsel

Suzanne Hambleton, Supervisor, Permitting and Inspection
Branch

Jim Lee, Deputy Director

Howard Levenson, Deputy Director

Sharon Waddell, Board Secretary

Shirley Willd-Wagner, Branch Manager

Patty Wohl, Deputy Director

ALSO PRESENT

Yvonne Hunter, League of California Cities

Mark Murray, Californians Against Waste

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

INDEX

	Page
I. CALL TO ORDER	1
II. ROLL CALL AND DECLARATION OF QUORUM	1
III. OPENING REMARKS	2
IV. REPORTS AND PRESENTATIONS	16
Report By Shasta County Local Enforcement Agency On Extension Of The Stipulated Agreement Issued To The Operator Of The Anderson Landfill	
V. CONSENT AGENDA	
VI. CONTINUED BUSINESS AGENDA ITEMS	
VII. NEW BUSINESS AGENDA ITEMS	
Special Waste	
1. Consideration Of Grantee Appeal Request To Accept Late Application Submittal Of Used Oil Block Grant (10th Cycle) FY 2004/2005 And Clarification Of Appeal Request Process For The Used Oil Block Grant Program	42
Motion	42
Vote	42
Permitting And Enforcement	
2. Consideration Of Adoption Of Proposed Solid Waste Facility Permit Application Form (E-1-77) Regulations	42
Motion	42
Vote	42
3. Consideration Of A Revised Full Solid Waste Facilities Permit (Disposal Facility) For The Borrego Landfill, San Diego County	44
Sustainability And Market Development	
4. Consideration Of The Recycling Market Development Revolving Loan Program Application To ITEC Environmental Group, Inc.	52
Motion	52
Vote	52

INDEX CONTINUED

	Page
5. Discussion Of Market Development Action Plan	40
6. Consideration Of The 2001/2002 Biennial Review	42
Findings For The Source Reduction And Recycling Element And Household Hazardous Waste Element For The Following Jurisdictions (First Of Four Items): Alameda County: Fremont, Newark, Oakland, San Leandro; Colusa County: Colusa County Regional Agency; Contra Costa County: Pittsburg; El Dorado County: Placerville; Fresno County: Kingsburg; Humboldt County: Rio Dell; Kings County: Avenal; Los Angeles County: Covina, Culver City, El Segundo, Lomita, Long Beach, Los Angeles, Santa Monica, Signal Hill, Temple City; Marin County: Marin County Hazardous and Solid Waste Management Authority; Napa County: American Canyon, Napa, Napa-Unincorporated; Nevada County: Grass Valley, Truckee; Orange County: Anaheim, Brea, Fullerton, Garden Grove, Irvine, Santa Ana; Placer County: Colfax; Riverside County: Coachella, Corona, Indian Wells, Indio, Palm Desert, Palm Springs, Riverside, Riverside Unincorporated; San Bernardino County: Yucca Valley; San Diego County: El Cajon, Poway; San Joaquin County: Lodi, Ripon, San Joaquin-Unincorporated; San Mateo County: Atherton, Hillsborough; Santa Clara County: Morgan Hill, Palo Alto; Stanislaus County: Stanislaus County Regional Solid Waste Planning Agency; Yolo County: Winters	
Motion	42
Vote	42
7. Consideration Of The 2001/2002 Biennial Review	42
Findings For The Source Reduction And Recycling Element And Household Hazardous Waste Element For The Following Jurisdictions (Second Of Four Items): Butte County: Chico; Humboldt County: Ferndale; Kern County: Bakersfield; Los Angeles County: Lakewood, Rancho Palos Verdes; Madera County: Chowchilla; Riverside County: Perris	
Motion	42
Vote	42

INDEX CONTINUED

	Page
8. Consideration Of The 2001/2002 Biennial Review Findings For The Source Reduction And Recycling Element And Household Hazardous Waste Element For The Following Jurisdictions (Third Of Four Items): Contra Costa County: Walnut Creek; Los Angeles County: Calabasas, San Fernando; Yolo County: Davis	42
Motion	42
Vote	42
9. Consideration Of The 2001/2002 Biennial Review Findings For The Source Reduction And Recycling Element And Household Hazardous Waste Element For The Following Jurisdictions (Fourth Of Four Items): Alameda County: Hayward; Contra Costa County: Martinez; Kern County: California City; Los Angeles County: Cudahy, La Mirada; Monterey County: Seaside; Orange County: Buena Park; Riverside County: Moreno Valley, Temecula; Sacramento County: Isleton; San Bernardino County: Grand Terrace, Rialto, Yucaipa; San Diego County: Encinitas, Imperial Beach; San Mateo County: Belmont, Colma, Menlo Park; Santa Barbara County: Carpinteria; Santa Clara County: Milpitas, Santa Clara; Stanislaus County: Modesto; Tulare County: Consolidated Waste Management Authority; Ventura County: Simi Valley	42
Motion	42
Vote	42
10. Consideration Of The Adequacy Of The Five-Year Review Report For The County Of San Mateo's Countywide Integrated Waste Management Plan	42
Motion	42
Vote	42
11. Consideration Of The Adequacy Of The Source Reduction And Recycling Element, Household Hazardous Waste Element, And Nondisposal Facility Element For The Newly Incorporated City Of Elk Grove, Sacramento County	42
Motion	42
Vote	42

INDEX CONTINUED

	Page
12. Consideration Of The Application For A SB1066 Time Extension By The City Of West Hollywood, Los Angeles County	42
Motion	42
Vote	42
13. PULLED Consideration Of The County Of Fresno's Request For An Extension To Compliance Order Program Implementation Due Dates	
14. Consideration Of Emergency Amendment Without Regulatory Effect Of E-Waste Regulation To Conform To Law Change In AB 901 (Chapter 84, Statutes of 2004)	53
Motion	72
Vote	73
Other	
15. Consideration Of Amendment To The Award Of FY 2004/05 Tire Funds For The Tracy Tire Fire Contract (IWM-2017)	73
VIII. PUBLIC COMMENT	
IX. ADJOURNMENT.	76
X. REPORTER'S CERTIFICATE	77

1 PROCEEDINGS

2 CHAIRPERSON MOULTON-PATTERSON: Good morning.

3 I'd like to call our meeting to order and welcome

4 everybody to the August meeting of the California

5 Integrated Waste Management Board.

6 Would the secretary please call the roll.

7 SECRETARY WADDELL: Marin?

8 BOARD MEMBER MARIN: Present.

9 SECRETARY WADDELL: Mulé?

10 BOARD MEMBER MULÉ: Here.

11 SECRETARY WADDELL: Paparian?

12 BOARD MEMBER PAPARIAN: Here.

13 SECRETARY WADDELL: Peace?

14 BOARD MEMBER PEACE: Here.

15 SECRETARY WADDELL: Washington?

16 BOARD MEMBER WASHINGTON: Here.

17 SECRETARY WADDELL: Moulton-Patterson?

18 CHAIRPERSON MOULTON-PATTERSON: Here.

19 Thank you.

20 Any ex partes, Ms. Mulé?

21 BOARD MEMBER MULÉ: I'm up to date.

22 CHAIRPERSON MOULTON-PATTERSON: Ms. Peace.

23 BOARD MEMBER PEACE: I'm also up to date.

24 BOARD MEMBER MARIN: So am I.

25 CHAIRPERSON MOULTON-PATTERSON: Mr. Paparian.

1 BOARD MEMBER PAPARIAN: I spoke with Michael
2 Sweeney briefly about the e-waste regulations. Other than
3 that, I'm up to date.

4 CHAIRPERSON MOULTON-PATTERSON: Thank you.
5 Mr. Washington.

6 BOARD MEMBER WASHINGTON: I'm up to date.

7 CHAIRPERSON MOULTON-PATTERSON: I'm also up to
8 date.

9 And we're going to get going. It's good to see
10 everybody. We have somewhat of a short meeting, I
11 anticipate, but you never know. Sometimes the short
12 meetings are the longest meetings. So I never say. But
13 I'll be going over the agenda in a moment after the
14 reports, and then the Board will be having a closed
15 session today at the conclusion of the meeting.

16 But let's start with Ms. Mulé. Any reports?

17 BOARD MEMBER MULÉ: Thank you, Madam Chair.

18 Yes, I had, again, another busy month just trying
19 to get out and about and learning more about what's going
20 on in the communities throughout the state.

21 Did go on a number of tours in Stanislaus County,
22 Orange County. Did get to the L.A. Fibers, which we saw
23 at our meeting last month. Very interesting tour that
24 was.

25 I also attended a Conversion Technology Workshop

1 with the city of Los Angeles at the end of July.

2 I attended the Tire Stewardship Workshop here
3 that Mike Paparian helped host.

4 Did a Bay Area tour. Saw the Richmond Sanitary
5 Service and got to see Joe Garbarino's operation, which
6 was very, very interesting.

7 Also did have an opportunity to visit the Sonoma
8 tire sites, a few of those. And given the fact we're
9 working on that, that was very interesting.

10 And also on August 5th, I was the speaker at the
11 Los Angeles County Disposal Association, which went very,
12 very well. And --

13 CHAIRPERSON MOULTON-PATTERSON: I know they
14 appreciated you coming.

15 BOARD MEMBER MULÉ: That's it. Thank you, Madam
16 Chair.

17 BOARD MEMBER PEACE: On July 21st, I met with the
18 city of San Diego to preview their new recycling campaign.
19 It was developed in part with money from the Department of
20 Conservation. I just think it would be nice if the
21 Department of Conservation could develop a recycling
22 campaign that could be adopted by jurisdictions statewide.

23 July 28th, I also attended the Tire Product
24 Stewardship meeting. I heard a lot about civil
25 engineering uses, RAC, and tire-derived fuel, but not much

1 on any real product stewardship from the tire
2 manufacturers.

3 I also visited the Stockton Cogen plant. Using
4 tire derived fuel is a clean environmentally-safe way to
5 produce electricity, while at the same time keeping tires
6 out of our landfills and stockpiles. Stockton Cogen uses
7 several million tires a year, thus reducing the amount of
8 coal that has to be imported into our state every year.

9 On July 29th, I was the speaker at the Upper San
10 Luis Rey Resource Conservation District cleanup kickoff.
11 It was so sad to see the piles of garbage, old appliances,
12 cars, furniture, and even dead animals that people
13 intentionally dump. But I did get a lot of satisfaction
14 representing the Board in this cleanup effort, knowing
15 that we helped make it possible with a grant from our Farm
16 and Ranch Cleanup and Abatement Program.

17 On August 4th, in a meeting arranged by my office
18 and Randy Iwasaki, who is the Acting Chief Deputy Director
19 of Caltrans, I, along with Jim Lee, Bob Fujii, and Stacey
20 Patenaude met with some of the Caltrans people to discuss
21 the uses of RAC and the use of tires in civil engineering
22 applications. We also discussed some of the challenges
23 that each of us face. I don't know how much this meeting
24 actually accomplished, but it was my hope to establish
25 more open communication between Caltrans and the Board.

1 Randy is a big RAC supporter. And it is his goal to get
2 Caltrans to use RAC in 30 percent of their projects next
3 year. So that was very encouraging.

4 That's my report.

5 CHAIRPERSON MOULTON-PATTERSON: Thank you. We
6 appreciate all your efforts, especially in the area of
7 Special Waste. Thank you, because I know that's not easy.

8 Ms. Marin.

9 BOARD MEMBER MARIN: Madam Chair, I visited along
10 with my colleagues, and they've already mentioned, both
11 with Cheryl I visited La Montaa, and we went to see CRM
12 and Lakin Tire. And then with Ms. Mulé, Sunshine Canyon
13 tour and El Sobrante. That was a huge drive from one end
14 of L.A. County to another one. It was just amazing. But
15 it was very enlightening.

16 I was a speaker in Rosarito, Mexico at an
17 Environmental and Health Conference on July 23rd.

18 And went and spoke at the UES Institute in
19 Mariposa, California. And I just got to tell you, I was
20 so impressed with those kids and what the teachers did to
21 have the kids actually do an audit of the trash at their
22 school. And I was very, very impressed. A little town
23 where everybody comes together from the county, school, to
24 the City Council. Everybody was there. It was just
25 amazing. And I got to tell you, Joanne, she does such a

1 great job.

2 CHAIRPERSON MOULTON-PATTERSON: She sure does.

3 BOARD MEMBER MARIN: I went to visit the Sonoma
4 tire sites, and also went to San Diego to visit a couple
5 of sites from Allied. Chuck was there. Where's Chuck
6 Helget? There you are. Thank you.

7 And yesterday we went to the Roseville Recycling
8 Facility and also a MRF in Placer County. I've been very,
9 very busy.

10 I also participated in a small program. The
11 title of the program was "Oil and Water Don't Mix" put
12 together by the local -- is it Channel 3? It was Channel
13 3. It was very nice. And that was through a grant that
14 this Board gave.

15 So I'm very busy next month. I'm going to be
16 also very busy with my colleagues visiting some sites. So
17 I'm very excited, and I thank everybody that has helped me
18 go around. And we have great staff. I'm just very proud
19 of them, Madam Chair. Thank you.

20 CHAIRPERSON MOULTON-PATTERSON: Thank you, Ms.
21 Marin.

22 I just have to ask our two new Board members,
23 have you had time to sleep? Just kidding. But it is
24 really great to see the interest both of you have taken in
25 going out in the field and seeing that. I just really

1 think we all appreciate it.

2 BOARD MEMBER MARIN: I just want to mention that
3 I did visit a site from Hewlett-Packard. They recycle all
4 of their materials, and that was just amazing. And I know
5 Mr. Paparian has been there a few times. It's an
6 extremely -- more than enlightening. It's just amazing what
7 they're doing, and the quantity of boards and cell phones
8 and everything that they recycle. I know Ms. Mulé is
9 going to be there next week, I believe. So just amazing.

10 And they're also -- I'll mention that when the
11 item comes, but they're also supporting some of our
12 efforts later on in the agenda.

13 CHAIRPERSON MOULTON-PATTERSON: Thank you, Mr.
14 Paparian.

15 BOARD MEMBER PAPARIAN: Thank you, Madam Chair.

16 I also took a little tour of the facilities in
17 Stanislaus County, including the Turlock Transfer Station,
18 the Fink Road Landfill, the composting facility for the
19 city of Modesto and the Covanta Energy Facility. I also
20 met with some of the local citizens who have had some
21 issues and concerns with some of those facilities.

22 I visited Three-D Plastics, a recipient of an
23 RMDZ loan as well as a Tire Product Commercialization
24 Grant. And they are doing some remarkable things with the
25 recycling of both plastics and tires into a variety of

1 highway safety products and other products.

2 The Product Stewardship Institute Tire Forum was
3 already mentioned. I think we'll probably be hearing more
4 about that in the coming months. I think it really offers
5 an exciting opportunity to engage the tire manufacturers
6 in taking a little bit more responsibility for some front
7 end and back end solutions to some of the tire problems
8 we're facing.

9 Together with Mitch Delmage, we went out to the
10 UC Davis Institute of Transportation Studies, which is
11 working on the smart tire technology contract, which we
12 approved a few months ago. And they are doing some
13 remarkable things with various technologies effecting
14 transportation, roads, tires, and any product or fuel you
15 can imagine associated with transportation. They're also
16 in the process of relocating a test facility for highways
17 from Richmond to Davis. And this is something that's used
18 by Caltrans quite a bit to test various road technologies
19 as well as things they use, scraping and other things they
20 use on roads. I think that may offer some opportunities
21 as we try to assure that they incorporate RAC into their
22 future studies of what they'll need in the future.

23 On e-waste, we've seen a lot of the staff and
24 we're going to see them today. And we've thanked them
25 profusely for the amount of work they've done to help us

1 on the implementation of SB 20, the e-waste program. But
2 some of the staff we don't see are the IMB folks, the
3 computer folks who are developing a lot of the tools
4 necessary to get collectors and recyclers and the
5 collection system and the payment system together and to
6 get our public website really in order and in good shape
7 for everybody who wants to know about this program. I
8 know that Doug Ralston and Chris Allen and Paige
9 Lettington and Mercy Caputi and Amarjot Biring have really
10 done a remarkable job of making sure that we have the
11 computer side -- the internal computer side of our e-waste
12 recycling program together. And I think they deserve some
13 thanks.

14 And since we have hopefully a short agenda today,
15 I thought it would be okay if I mentioned a little
16 something about my summer vacation.

17 CHAIRPERSON MOULTON-PATTERSON: Sure. We'd love
18 to hear about your summer vacation. It's almost back to
19 school time.

20 BOARD MEMBER PAPARIAN: I went with my family.
21 We went to Yosemite. We went over to the eastern sierra a
22 little bit. And we were over in a hot springs near
23 Mammoth, a little bit remote. It was the hot creek where
24 the hot springs flows right into a running creek. So you
25 have the hot and cold mixing together. It's a very

1 popular spot. A lot of tourists go there.

2 We were there with my family. And there's
3 somebody talking about waste. And I look around, and it's
4 four members of our Waste Board staff who have just come
5 off a backpacking trip and were soothing themselves in the
6 hot springs. It was Reinhard Hohlwein and Dave Otsubo
7 from the P&E Division, Randy Freeland from P&E, and Bob
8 Horowitz from DPLA. Reinhard assured me that not only was
9 he vacationing, he was also on his way to a MOLO training
10 in the eastern sierras, lest I think he vacations too
11 much. But it was fun to run into our four staff people
12 there. What an unusual place.

13 CHAIRPERSON MOULTON-PATTERSON: That's great.

14 Mr. Washington.

15 BOARD MEMBER WASHINGTON: Thank you, Madam Chair.
16 Just a couple of things here. I had the opportunity to
17 speak at the SWANA Private Sector's Initiative on
18 Construction Debris Management Workshop in Long Beach,
19 which was very informational and informal.

20 The type of folks that were there were some good
21 people. And to hear them talk about where we're going
22 with construction debris is certainly -- it was exciting
23 for me to just inform them that I was on a mission to save
24 the California Integrated Waste Management Board and that
25 I wanted everybody I could find to write a letter to the

1 Governor about how important this public board is. And I
2 believe that the word went out and those folks are really
3 excited about helping us get the word out to the CPR
4 Committee and those folks and letting them know what the
5 California Integrated Waste Board does.

6 As Chair of Public Outreach and Education, one of
7 the things I will be doing, Madam Chair, is certainly
8 making sure people do understand what this Board is about.
9 I saw a great article on the Water Resources Board and
10 those folks in the San Francisco Chronicle. Never
11 mentioned the California Integrated Waste Board. And we
12 will be contacting those folks and saying, hey, this is
13 what the California Integrated Waste Board does and that's
14 why it's critical to maintain this Board as a public
15 Board.

16 I'll be on a mission from now until whatever
17 happens with the report to make sure that our message gets
18 out that we are just as important. And I consider this
19 Board to be more important than some of the other boards
20 that exist around the state of California.

21 Likewise, on the 23rd, I attended with Senator
22 Chesbro a very successful press conference. And I want to
23 thank the Public Affairs folks. They put me up in a big
24 ol' truck and had me dumping trash over down in Clear Lake
25 where we had given a half-million dollar grant to the city

1 of Clear Lake to help them with one of their illegal dump
2 cleaning grant projects.

3 It was scary for a minute, and then when I got
4 the hang of it, I invited John to come join me, but he ran
5 back to the top of the hill. He didn't want to get in the
6 line of fire.

7 So, again, I want to thank the staff for doing
8 such a great job. And, again, I saw some of the articles.
9 It was an excellent article as to what the Board is all
10 about. That's what we want to do is we want to get the
11 word out.

12 And then finally, Madam Chair, I'd like to
13 comment on the memo I received from our Executive Director
14 regarding the city of Gardena and their diversion
15 compliance. And I would like to report they've done --
16 they're doing an excellent job, and we want them to
17 continue to move forward. This is what we like to see,
18 these type of projects, when we put someone on compliance,
19 to make sure we work with them.

20 I want to thank Pat Schiavo and his staff for
21 doing an excellent job in working with those folks in the
22 city of Gardena and helping them come under compliance to
23 our local assistance projects. And, again, kudos go out
24 to the Local Assistance staff and all you guys who have
25 done an excellent job. Thank you.

1 CHAIRPERSON MOULTON-PATTERSON: Thank you, Mr.
2 Washington. We appreciate it.

3 First of all, I'd like to say congratulations to
4 Shirley Willd-Wagner. I watched her son in the finals for
5 the Olympics. And, wow, we're going to be seeing him in
6 four years, I'm sure. And you must be so proud. He's
7 very young still, so he has a great future. And we're
8 just -- I know it's taken a lot of time for you and your
9 husband getting up at 4:00 in the morning and all that to
10 take him to practice. But we're really proud of him and
11 proud of you. Thank you.

12 BOARD MEMBER WASHINGTON: Madam Chair, what did
13 he do?

14 CHAIRPERSON MOULTON-PATTERSON: He was in the
15 finals for the Olympics swimming.

16 BRANCH MANAGER WILLD-WAGNER: Olympic trials.

17 CHAIRPERSON MOULTON-PATTERSON: But isn't that
18 the finals kind of, the finals to go to the Olympics. In
19 my mind, it is.

20 BOARD MEMBER WASHINGTON: I was going to say to
21 Shirley, Madam Chair, that I'll take him on, but I can't
22 swim.

23 CHAIRPERSON MOULTON-PATTERSON: He is a champion.
24 Like I say, I know we'll see him at the Olympics in four
25 years. So thank you so much for doing such a great job,

1 Shirley. We appreciate it.

2 Also, I would like to -- I attended the
3 partnership -- the AB 1568 partnership meeting for
4 education and the environment. I know many of you have
5 attended those meetings. And I just have to say that I am
6 so impressed with what I see. This is a landmark bill
7 that requires the coordination of responsibilities between
8 the Secretary of CalEPA, the Integrated Waste Management
9 Board, the Secretary of Education, the State
10 Superintendent of Schools, the State Board of Education,
11 the Legislature, and also has input from the environmental
12 community, the business community, local citizens, and
13 teachers, just educators that aren't in any of the
14 organizations. And as you might know, not all these
15 people get along all the time. And this is really a feat
16 that we have come so far.

17 And I just want to point out that this would not
18 have happened without CalEPA's Andrea Lewis and my
19 advisor, Bonnie Bruce, who have managed this. And, of
20 course, with Joanne Vorhies and her great team in
21 education, they've made this happen. And I just wanted to
22 point that out, because not only has Bonnie served me full
23 time as my advisor, but she has also spent a great deal of
24 time on 1548, not only as my advisor, but as a volunteer
25 and spent many weekends and nights. And I just want to

1 recognize Bonnie for all of her hard work, because she
2 really has done a fantastic job, Bonnie.

3 (Applause)

4 CHAIRPERSON MOULTON-PATTERSON: And I've made her
5 blush, and she doesn't like that when I do that. So I
6 didn't tell her I was doing this. But it really is
7 phenomenal. And this bill wouldn't have come this far
8 without Andrea and Bonnie and Joanne. So thank you.

9 BOARD MEMBER WASHINGTON: Madam Chair, can I just
10 comment?

11 CHAIRPERSON MOULTON-PATTERSON: Sure.

12 BOARD MEMBER WASHINGTON: I was there, too.

13 CHAIRPERSON MOULTON-PATTERSON: I know you were.

14 BOARD MEMBER WASHINGTON: And forgive me for
15 that. And I, too -- and you did it well. Bonnie and the
16 CalePA folks are doing an excellent job of this bill and
17 my kudos go to them, likewise.

18 CHAIRPERSON MOULTON-PATTERSON: Thank you, Mr.
19 Washington.

20 Okay. Before I turn it over to Mr. Leary, I'd
21 like you to please agendaize as Item 1 for the September
22 21st Board the election of a Chair and Vice Chair. And
23 that's Item Number 1, please, on the September agenda.

24 EXECUTIVE DIRECTOR LEARY: Will do, Madam Chair.

25 CHAIRPERSON MOULTON-PATTERSON: Thank you very

1 much.

2 With that, I will ask for your report, Mr. Leary.

3 EXECUTIVE DIRECTOR LEARY: Good morning, Members.

4 Once again, I always start by thanking all of you
5 for your positive comments about staff. And speaking of
6 the positive work of our staff and the value of this
7 Board, I have kind of a two-part Executive Director's
8 report today. I'd like to do kind of the business items
9 first and take a few of those, but I'd like to take
10 advantage of the fact that we potentially have a lighter
11 agenda today and do a little year-end review. We're at
12 the end of the fiscal year, embarked on the end of a
13 fiscal year, and I think we have a lot to be proud of and
14 we've accomplished a lot in the last fiscal year.

15 And I'm going to do a report that I've prepared
16 with the help of exec staff, and particularly the help of
17 Jon Myers, Deb Orrill, and Chris Peck, to look back over
18 the fiscal year 2003/04 and observe some of the positive
19 things that happened as a result of the Board's
20 activities.

21 So on the business side, I'd like to start with
22 an update to you all on the suggestion box prioritization
23 effort. Member Peace and Member Paparian asked me last
24 month to make an effort with the executive staff to
25 prioritize all the suggestions made by our staff, both

1 through the electronic suggestion box and in their
2 all-staff meetings with you.

3 I'd hoped to have completed that effort and have
4 contributed by now, by this Board meeting, and we're darn
5 close. But what we've done is half completed the
6 prioritization effort, and we've prepared a spreadsheet
7 I'd like to distribute by the end of the week hopefully,
8 certainly the first of next week, to you all and to all
9 staff of the Board commenting on how we've recognized all
10 their suggestions, identified them, prioritized them, and
11 are suggesting back to you, the Board, and to them our
12 recommendations for how we address those suggestions in
13 the coming months. So look for that here by the end of
14 the week. And, again, I guess I apologize for not making
15 today's deadline. But like I said, we're real close.

16 Another positive news, I'd like to give a little
17 update on La Montaa. To recap recent developments, the
18 city of Huntington Park's petition for a court ordered
19 receiver for the property was granted on July 13th. This
20 receiver has the authority to make decisions on the
21 property, including authorization to proceed with the
22 cleanup project approved by the Board in June.

23 On August 5th, staff submitted a written request
24 to the receiver for authorization to proceed. Staff
25 included the Board's contractor's removal plan, identified

1 potential destination facilities for the material, and
2 initial price quotes. The CEQA Notice of Exemption
3 statute of limitations has concluded without challenge.
4 In addition, staff forwarded our community health and
5 safety plan for the project to the city as well to
6 Communities for a Better Environment for their review and
7 comment.

8 In reply, CBE staff expressed their appreciation
9 for the Board's responsiveness to community concerns and
10 indicated their intent to use the Board's plan as a model
11 for other projects. They also offered thanks for the
12 Board's open process.

13 And we have good news about the cost of the
14 project also. The cost estimates are at the low end of
15 our initial estimate, about \$2.1 million. The project is
16 expected to take 60 working days, and most of the material
17 will likely be used as engineering fill at a fully
18 permitted inert mine reclamation facility. Upon
19 authorization by the receiver, final price quotes from
20 these facilities and cost estimates will be established.

21 We are dealing with some delay in starting up the
22 project as a consequence of working with this new
23 receiver. However, we do anticipate that he will review
24 our report favorably. It is our current best guess staff
25 will hold a public meeting around mid September and the

1 project might start late in the month and continue into
2 December. We'll continue to keep you updated on this
3 project.

4 CHAIRPERSON MOULTON-PATTERSON: Thank you very
5 much. That's good news.

6 EXECUTIVE DIRECTOR LEARY: That is good news.

7 Continuing saga of the Anderson Landfill. On
8 January 30th, 2004, the LEA for the county of Shasta
9 received a request and granted a temporary waiver on
10 February 12th, 2004, pursuant to the Code of Regulations
11 to temporarily increase the permitted height limit at the
12 Anderson landfill. An extension of the waiver was granted
13 on May 11th that continued to August 10th, 2004. The LEA
14 then granted a second extension requiring all the waste
15 temporarily stored above the permitted height limit to be
16 relocated to the newly constructed subtitle D lined cell
17 by August 30th.

18 In the request made to the LEA, the operator
19 projected that the relocation of the waste would be
20 completed within a few days after the expiration of the
21 agreement, that is August 10th, but requested additional
22 time to complete the project. Board staff found that the
23 additional time was not warranted. And under my
24 authority, the extension has been limited to August 20th,
25 2004. Because of the Shasta lake fire, the LEA was not

1 able to make her report to you today. However, both the
2 operator and the LEA have indicated the site will be in
3 compliance by our mandated August 20th.

4 And then finally in the recent good news
5 department, the EPP Task Force, as I reported to the
6 Sustainability Committee, that is the Environmentally
7 Preferable Purchasing, is making great stride. It has
8 representatives from 15 different state agencies, UC
9 Office of the President, and the California Community
10 Colleges Foundation.

11 We met on July 28th. The major focus of this
12 task force is to implement Assembly Bill 498 through a
13 partnership with DGS, the Board, and other major
14 stakeholders. This partnership establishes a program to
15 provide state agencies with information and assistance
16 regarding environmentally preferable purchasing. The task
17 force has met intermittently for some time and has been
18 meeting monthly in 2004. But recent appointments of the
19 new General Services Director and the new Deputy Director
20 for Procurement has given this task force new life and
21 energy.

22 At the July 28th meeting, the members signed a
23 charter reinforcing the administration's commitment to and
24 the executive support for the work the task force is
25 doing. DGS Director Ron Joseph and Deputy Director of

1 Procurement Rita Hamilton spoke to the group about the
2 Department's strong commitment to EPP strategic sourcing
3 and procurement reform. Ms. Hamilton will now co-chair
4 the task force for the Board.

5 With the administration's focus on procurement
6 reform, I think we'll see some very positive outcomes from
7 the task force in the near future and promise to keep you
8 updated on its progress.

9 That concludes the business portion of my
10 Executive Director's report. Now I ask you to kind of sit
11 back, get comfortable, take a look at your screens, and
12 let's do a little year review 2003/2004, and Deb will
13 assist me by operating the projector here.

14 (Thereupon an overhead presentation was
15 presented as follows.)

16 EXECUTIVE DIRECTOR LEARY: The Board has made
17 many great accomplishments over the last fiscal year, and
18 there are many reasons to be proud of what we do here
19 every day. We provided more than \$36 million in grants
20 and more than \$7.4 million in loans to support local
21 diversion, market development, and enforcement activities.

22 Our cleanup program eliminated a number of
23 illegal dumps across the state, and we provided
24 educational materials and resources to school and hundreds
25 of districts. We have very much to be proud of.

1 It was a year of change as well. In October of
2 last year, we welcomed the new Governor of California as
3 well as a new Secretary of CalEPA. We said goodbye to two
4 of our Board members, and welcomed two new ones. And
5 legislation has brought new programs.

6 I'd like to take a few minutes to recap some of
7 the many highlights from last year. While we'd like to
8 celebrate each and every accomplishment over the last
9 year, there just isn't enough time in our Board meeting to
10 do so today. So please remember that all the events,
11 issues, conferences, and programs we've worked on are
12 significant and are important to what we do as a Board.

13 --o0o--

14 EXECUTIVE DIRECTOR LEARY: One of the first
15 highlights took place in August of 2003, the Yulupa School
16 cleanup in Santa Rosa.

17 --o0o--

18 EXECUTIVE DIRECTOR LEARY: An arson-caused fire
19 that damaged tire-derived playground material of Yulupa
20 Elementary School in Santa Rosa just prior to the
21 beginning of the school year triggered a plea from the --

22 --o0o--

23 EXECUTIVE DIRECTOR LEARY: -- principal to the
24 Board for assistance with cleanup. The Board responded
25 with a \$61,000 cleanup to remove and properly dispose of

1 the fire-damaged playground tire chips.

2 --o0o--

3 EXECUTIVE DIRECTOR LEARY: In September of 2003

4 --

5 --o0o--

6 EXECUTIVE DIRECTOR LEARY: -- we dedicated the

7 RAC project at the --

8 --o0o--

9 EXECUTIVE DIRECTOR LEARY: -- new East End office

10 complex in downtown Sacramento. A \$250,000 grant to the

11 Department of General Services funded the use of RAC

12 paving on city streets surrounding the East End Complex.

13 --o0o--

14 EXECUTIVE DIRECTOR LEARY: Former Board Vice

15 Chair Medina participated in the dedication.

16 --o0o--

17 EXECUTIVE DIRECTOR LEARY: Also in September,

18 then-Governor Gray Davis signed SB 20, the Electronic

19 Waste Recycling Act of 2003.

20 --o0o--

21 EXECUTIVE DIRECTOR LEARY: Board Member Paparian

22 joined former CalEPA Secretary Hickox and --

23 --o0o--

24 EXECUTIVE DIRECTOR LEARY: -- then-DTSC Director

25 Lowry at a press conference in the Bay Area to announce

1 the signing of SB 20 to address California's e-waste
2 challenge.

3 --o0o--

4 EXECUTIVE DIRECTOR LEARY: September also saw our
5 Waste Tire Conference. Several Board members as well as
6 staff --

7 --o0o--

8 EXECUTIVE DIRECTOR LEARY: -- participated in
9 this event. The conference presented the Board's --

10 --o0o--

11 EXECUTIVE DIRECTOR LEARY: -- perspective on
12 dealing with illegal waste tire disposal south of the
13 border and other related issues.

14 --o0o--

15 EXECUTIVE DIRECTOR LEARY: In October of 2003,
16 Governor Davis held a signing ceremony in Santa Monica for
17 AB 1548.

18 --o0o--

19 EXECUTIVE DIRECTOR LEARY: This legislation paves
20 the way for state agencies with environmental programs to
21 coordinate with our office and the CalEPA.

22 --o0o--

23 EXECUTIVE DIRECTOR LEARY: The coordinated effort
24 will develop, incorporate, and implement environmental
25 principles and concepts in a unified education strategy

1 for all California elementary and secondary schools.

2 --o0o--

3 EXECUTIVE DIRECTOR LEARY: Also in October, the

4 Board participated in the grand opening of Habitat for

5 Humanity ReStore warehouse --

6 --o0o--

7 EXECUTIVE DIRECTOR LEARY: -- on 7th Street in

8 Sacramento. The ReStore warehouse offers consumers good

9 quality new and --

10 --o0o--

11 EXECUTIVE DIRECTOR LEARY: -- reusable home

12 improvement and building materials at pennies on the

13 dollar, including recycled paint --

14 --o0o--

15 EXECUTIVE DIRECTOR LEARY: -- stocked on the

16 store shelves.

17 --o0o--

18 EXECUTIVE DIRECTOR LEARY: Our Office of Public

19 Affairs rolled out the Board's new "Zero Waste" message at

20 the 2003 League of Cities --

21 --o0o--

22 EXECUTIVE DIRECTOR LEARY: -- Exposition in

23 Sacramento where --

24 --o0o--

25 EXECUTIVE DIRECTOR LEARY: -- Board Member Peace

1 presented Resources for the Future awards to several
2 deserving cities.

3 --o0o--

4 EXECUTIVE DIRECTOR LEARY: Another wonderful
5 event that took place in October was the Torrey Pines High
6 School track dedication --

7 --o0o--

8 EXECUTIVE DIRECTOR LEARY: -- in San Diego.
9 Board Member Peace attended the dedication ceremony for
10 the track --

11 --o0o--

12 EXECUTIVE DIRECTOR LEARY: -- resurfacing work
13 which was completed with \$100,000 grant from the Board.
14 The project installed a rubberized, all-weather, nine-lane
15 400-meter running track at the school in conjunction --

16 --o0o--

17 EXECUTIVE DIRECTOR LEARY: -- with a stadium
18 improvement project that included installation of
19 artificial turf, new handicap accessible bathrooms, and
20 safety lighting.

21 --o0o--

22 EXECUTIVE DIRECTOR LEARY: In November, we were
23 pleased to have Board Member Washington acknowledge the
24 Board's \$700,000 RMDZ --

25 --o0o--

1 EXECUTIVE DIRECTOR LEARY: -- loan to Electronic
2 Partners Corporation in Los Angeles. The company will use
3 the money to divert up to 5 million pounds --

4 --o0o--

5 EXECUTIVE DIRECTOR LEARY: -- of electronic waste
6 per month, or approximately 30,000 tons a year --

7 --o0o--

8 EXECUTIVE DIRECTOR LEARY: -- and is projected to
9 create an additional 97 jobs.

10 --o0o--

11 EXECUTIVE DIRECTOR LEARY: November also kicked
12 off the start of our 2003 WRAP of the Year tour, with
13 Board Chair Moulton-Patterson --

14 --o0o--

15 EXECUTIVE DIRECTOR LEARY: -- making a
16 presentation to the Blue & Gold Fleet in San Francisco. A
17 windy day, obviously. In 2002 --

18 --o0o--

19 EXECUTIVE DIRECTOR LEARY: -- the Blue & Gold
20 Fleet recycled 100,000 pounds of cardboard, 32,000 pounds
21 of paper, and 6,000 gallons of oil and installed energy
22 efficient lighting to save 82,000 kilowatt hours per year.
23 Through its engine re-power program for ferry vessels, the
24 companies had reduced its use of diesel fuel by more than
25 100,000 gallons annually.

1 The Chair also presented WRAP of the Year award
2 in December --

3 --o0o--

4 EXECUTIVE DIRECTOR LEARY: -- to the Community
5 Environmental Council in Santa Barbara. The CEC is a
6 nonprofit environmental education organization --

7 --o0o--

8 EXECUTIVE DIRECTOR LEARY: -- with six centers
9 and 20 employees and operates ten education programs,
10 providing community services --

11 --o0o--

12 EXECUTIVE DIRECTOR LEARY: -- related to water
13 quality protection, hazardous waste management, recycling
14 and waste reduction, integrated pest management, and
15 energy conservation.

16 --o0o--

17 EXECUTIVE DIRECTOR LEARY: And who can forget
18 these dramatic photos from the Red Rock Canyon State Park
19 cleanup in January?

20 --o0o--

21 EXECUTIVE DIRECTOR LEARY: At the request of the
22 State Department of Parks and Recreation, the Board
23 commenced a \$125,000 cleanup operation --

24 --o0o--

25 EXECUTIVE DIRECTOR LEARY: -- at the 28,000 acre

1 park in Kern County. Using helicopters to remove several
2 abandoned vehicles from the steep ravines of the --

3 --o0o--

4 EXECUTIVE DIRECTOR LEARY: -- popular hiking and
5 off-road park, the Board accomplished a difficult
6 operation that past attempts using two tow trucks failed
7 to complete. That's one of our staff operating that
8 helicopter, I believe.

9 --o0o--

10 EXECUTIVE DIRECTOR LEARY: Also in January, we
11 celebrated another WRAP of the Year winner, the Hitachi
12 Automotive Products in Torrance. Board Member --

13 --o0o--

14 EXECUTIVE DIRECTOR LEARY: -- Washington was on
15 hand to recognize Hitachi's waste reduction and recycling
16 achievements. The plant has diverted more than 2.4
17 million pounds of materials, metals, and plastics from
18 local landfills.

19 --o0o--

20 EXECUTIVE DIRECTOR LEARY: Another WRAP of the --

21 --o0o--

22 EXECUTIVE DIRECTOR LEARY: -- Year awards tour
23 continued in Redding at Turtle Bay Exploration Park.
24 Board Member Paparian recognized the --

25 --o0o--

1 EXECUTIVE DIRECTOR LEARY: -- accomplishments of
2 this not-for-profit park, which operates --
3 --o0o--

4 EXECUTIVE DIRECTOR LEARY: -- a large scale
5 recycling and waste reduction program. More than 700 tons
6 of --

7 --o0o--

8 EXECUTIVE DIRECTOR LEARY: -- materials were
9 reused or recycled by the museum last year.

10 Turtle Bay's in-house campaign to use fewer
11 supplies and materials has saved the nonprofit
12 approximately \$19,000. The facility itself is built with
13 many recycled materials and with environmental stewardship
14 and sustainability in mind.

15 --o0o--

16 EXECUTIVE DIRECTOR LEARY: February 2004 brought
17 us to another great WRAP of the Year winner --

18 --o0o--

19 EXECUTIVE DIRECTOR LEARY: -- at Toyota North
20 American Part Center in Ontario. Here Secretary Tamminen
21 joined Board Member Washington in --

22 --o0o--

23 EXECUTIVE DIRECTOR LEARY: -- recognizing the
24 efforts of this business, which employs 516 workers and is
25 committed to protecting the environment through natural

1 resource conservation --

2 --o0o--

3 EXECUTIVE DIRECTOR LEARY: -- recycling,
4 pollution prevention, and other initiatives.

5 --o0o--

6 EXECUTIVE DIRECTOR LEARY: In March, we
7 highlighted the Board's \$2 million --

8 --o0o--

9 EXECUTIVE DIRECTOR LEARY: -- RMDZ loan to Looney
10 Bins for its new "Downtown Diversion" location in
11 Los Angeles. Secretary Tamminen and Board members --

12 --o0o--

13 EXECUTIVE DIRECTOR LEARY: -- toured the new
14 facility, which is now processing a wide variety of
15 construction and demolition materials.

16 --o0o--

17 EXECUTIVE DIRECTOR LEARY: Downtown Diversion
18 will create approximately 75 new jobs over the next three
19 years and will divert approximately 50,000 tons per year
20 of construction and demolition debris in the L.A. region.

21 --o0o--

22 EXECUTIVE DIRECTOR LEARY: March was also trade
23 show month.

24 --o0o--

25 EXECUTIVE DIRECTOR LEARY: Board officials, local

1 dignitaries, staff, and the public poured into the

2 Sacramento Convention Center for the --

3 --o0o--

4 EXECUTIVE DIRECTOR LEARY: -- Recycled Product

5 Trade Show, the premier West Coast event of its kind.

6 More than 100 exhibitors and 2,000 buyers --

7 --o0o--

8 EXECUTIVE DIRECTOR LEARY: -- specification

9 writers, project managers, and support staff attended the
10 two-day show.

11 --o0o--

12 EXECUTIVE DIRECTOR LEARY: The Board's used oil

13 and household hazardous waste conference provided an --

14 --o0o--

15 EXECUTIVE DIRECTOR LEARY: -- opportunity to

16 recognize some of the many excellent local programs that

17 are helping to keep unwanted material out of our

18 landfills.

19 --o0o--

20 --o0o--

21 --o0o--

22 EXECUTIVE DIRECTOR LEARY: Another wonderful and

23 some say Goofy event, was Jiminy Cricket's

24 Environmental Challenge awards at Disneyland in April.

25 --o0o--

1 EXECUTIVE DIRECTOR LEARY: Secretary Tamminen
2 honored the fifth-grade students from Park View Center
3 School in Semi Valley, California, and their teacher, Deni
4 Lopez --

5 --o0o--

6 EXECUTIVE DIRECTOR LEARY: -- as the 2004 grand
7 prize winners. The statewide competition promotes
8 environmental stewardship among students who complete
9 action projects and make --

10 --o0o--

11 EXECUTIVE DIRECTOR LEARY: -- pledges to think
12 and act with the environment in mind. More than 600,000
13 California students have participated in the challenge
14 since its inception in 1994.

15 That's not one of our staff.

16 --o0o--

17 EXECUTIVE DIRECTOR LEARY: On April 22nd,
18 Governor Schwarzenegger appointed the two newest members
19 of the Board, Rosario Marin and Rosalie Mulé.

20 --o0o--

21 EXECUTIVE DIRECTOR LEARY: Ms. Marin represents
22 the general public on the Board, and Ms. Mulé occupies the
23 position reserved for someone with private sector
24 experience in waste management.

25 --o0o--

1 EXECUTIVE DIRECTOR LEARY: Members Marin and Mul
2 were both sworn in shortly after being appointed by the
3 Governor and participated in their first public meeting of
4 the Board in June.

5 --o0o--

6 EXECUTIVE DIRECTOR LEARY: Also in April, the
7 Board accepted honors --

8 --o0o--

9 EXECUTIVE DIRECTOR LEARY: -- from U.S. EPA in
10 the Region IX 2004 Environmental Awards for the success of
11 the Jobs Through Recycling Program. This project brought
12 together the economic development and recycling
13 communities in Alameda County to demonstrate the benefits
14 of establishing regional markets for locally recovered
15 recyclable materials.

16 --o0o--

17 EXECUTIVE DIRECTOR LEARY: In May, Board Member
18 Washington presented a \$275,000 --

19 --o0o--

20 EXECUTIVE DIRECTOR LEARY: RMDZ loan to Ability
21 Counts in Corona. Ability Counts provides vocation
22 training and employment for persons with developmental
23 disabilities.

24 --o0o--

25 EXECUTIVE DIRECTOR LEARY: Their 56,000-square

1 foot Corona facility has an annual budget of \$6.8
2 million --

3 --o0o--

4 EXECUTIVE DIRECTOR LEARY: -- employs 525
5 developmentally disabled persons, and maintains a
6 recycling program in Riverside.

7 I understand Mr. Washington now owns that shirt,
8 he liked it so much.

9 BOARD MEMBER WASHINGTON: And the hat.

10 --o0o--

11 EXECUTIVE DIRECTOR LEARY: The Board participated
12 in the waste tire hauler checkpoint here in Sacramento.
13 This is one of --

14 --o0o--

15 EXECUTIVE DIRECTOR LEARY: -- several unannounced
16 checkpoints operated by the California Highway Patrol to
17 monitor waste tire haulers' compliance with the state
18 waste tire hauler manifest regulations.

19 --o0o--

20 EXECUTIVE DIRECTOR LEARY: Trucks in Sacramento
21 and around the state are being stopped and their drivers
22 checked for the required documents, including registration
23 papers and trip logs for their waste tire deliveries.

24 --o0o--

25 EXECUTIVE DIRECTOR LEARY: Still in April, a busy

1 month, Board Members Marin and Washington, along with
2 local and district officials --

3 --o0o--

4 EXECUTIVE DIRECTOR LEARY: Visited the Desert
5 Sands Unified School District Office in La Quinta to
6 celebrate its new food waste composting program. The
7 district, a participant in the Board's Environmental
8 Ambassadors pilot --

9 --o0o--

10 EXECUTIVE DIRECTOR LEARY: -- is using an \$89,000
11 grant to help establish waste diversion activities,
12 including an organic composting program, and integrate
13 those activities in the classroom curricula.

14 The program will turn food wastes from select
15 schools located in the cities of Indian Wells and Palm
16 Desert into organic compost to help the city's residents
17 grow greener lawns and gardens.

18 --o0o--

19 EXECUTIVE DIRECTOR LEARY: In May, Board staff
20 toured the Indian Wells Tennis Gardens complex --

21 --o0o--

22 EXECUTIVE DIRECTOR LEARY: -- site of a very
23 successful large scale food composing project coordinated
24 by the city of Indian Wells. Tennis Gardens is the site
25 of the annual two-week long --

1 --o0o--

2 EXECUTIVE DIRECTOR LEARY: -- Tennis Master
3 Series, drawing an estimated attendance of nearly 200,000.

4 This pilot project began in 2001, and over the
5 past year introduced a biodegradable food service
6 component at the Tennis Garden facility and substantially
7 expanded its food scraps collection and cardboard --

8 --o0o--

9 EXECUTIVE DIRECTOR LEARY: -- and container
10 recycling efforts.

11 We are getting increasingly positive evidence
12 from the Indian Wells project that large-scale food scrap
13 diversion holds promise for many jurisdictions.

14 --o0o--

15 EXECUTIVE DIRECTOR LEARY: And in June, Board
16 Member Washington joined Assembly Member Bermudez --

17 --o0o--

18 EXECUTIVE DIRECTOR LEARY: -- and city leaders in
19 dedicating a running track at Liberty Park in the city of
20 Cerritos. A \$100,000 grant from the Board to the city
21 helped provide a new recycled rubber content --

22 --o0o--

23 EXECUTIVE DIRECTOR LEARY: -- surface for the
24 330-yard long Liberty Park community jogging track.

25 This track resurfacing project represents one of

1 the most beneficial and appreciated uses of waste tires.

2 --o0o--

3 EXECUTIVE DIRECTOR LEARY: The ever shy and
4 retiring Board Member Washington then jogged over to 92nd
5 Street School in Los Angeles where Assembly Member Dymally
6 joined him in another dedication.

7 --o0o--

8 EXECUTIVE DIRECTOR LEARY: Here, again, waste
9 tires were used to resurface the track at this Watts-area
10 elementary school.

11 --o0o--

12 EXECUTIVE DIRECTOR LEARY: The Board awarded a
13 \$25,000 matching grant that helped the Los Angeles Unified
14 School District complete the project. In addition, 150 --

15 --o0o--

16 EXECUTIVE DIRECTOR LEARY: -- students from the
17 school were awarded bronze-, silver-, and gold-level
18 honors for outstanding achievement in the school's
19 first-ever Olympics athletic competition, which were held
20 on the new track. Mr. Washington hasn't reported which
21 level he got. I think the kids probably beat him, though.

22 --o0o--

23 EXECUTIVE DIRECTOR LEARY: Finally, last, but
24 certainly Not least is our Royster waste tire site in
25 Tracy. This has been an ongoing --

1 --o0o--

2 EXECUTIVE DIRECTOR LEARY: -- project since we
3 began final fire suppressions at the site in 2000 to
4 extinguish hot spots of a seven million tire fire that
5 occurred in 1998. To date, our contractor has removed --

6 --o0o--

7 EXECUTIVE DIRECTOR LEARY: -- over 121,000 tons
8 of California hazardous waste left in the tire's passing.
9 A total of 5,110 loads have been transported to a
10 hazardous waste facility in Kettleman Hills. The project
11 has also unearthed pockets of pyrolytic oil, solid waste,
12 and evidence of previous small tire fires. The hazardous
13 waste removal phase will be completed by October 2004.

14 --o0o--

15 EXECUTIVE DIRECTOR LEARY: As I said, much has
16 happened over the last year. And this is only a portion
17 of the great things the Board has done. You can see how
18 Board grants alone are used to better our environment and
19 our economy for California. And while we have done much
20 over the last year, the new fiscal year presents many more
21 opportunities to work toward a zero waste California.

22 And with that, Madam Chair, I conclude my report.

23 CHAIRPERSON MOULTON-PATTERSON: Thank you. That
24 was great. I really appreciate your office, John, for
25 putting that together. You know, you forget how many

1 things we have done over just the past year. So thank you
2 very much.

3 Okay. With that, we're going to get down to
4 business here on our agenda.

5 Item 13 has been pulled.

6 Item 5 was heard at Committee only.

7 Items 1 revised, 2, 3 revised, 6 revised, and 7
8 through 12 have been proposed for the consent agenda.

9 I understand that you'd like to pull Item Number
10 3 off that consent, Ms. Peace.

11 BOARD MEMBER PEACE: Yes, that's correct.

12 CHAIRPERSON MOULTON-PATTERSON: We'll put it on
13 the full agenda.

14 Were there any others?

15 Thank you.

16 So once the consent calendar is approved, the
17 full Board will hear Items 3, 4, 14, and 15. And we will
18 be having a somewhat extended closed session at the end of
19 this meeting. We might be taking a lunch break first,
20 depending on what time we close.

21 So with that, would you like to make an
22 additional report, Ms. Peace, on Special Waste?

23 BOARD MEMBER PEACE: Yes. We did have a short
24 meeting. There was only a couple items.

25 But with regard to the grant appeal in Item

1 Number 1, the Committee decided to grant the appeals
2 before us as recommended by our staff and to have the
3 Executive Director be responsible for any future appeal
4 requests.

5 Separate from that vote, we've asked staff to
6 come back to the Committee with an item to address the
7 issues around grant application due dates for the
8 competitive and non-competitive grants.

9 The Tracy item has full Committee support. We
10 are formalizing an action the Board agreed to in May. The
11 original estimate to clean up the site was \$9 million, and
12 now we're at 11.5 million. And staff told us in the end
13 the Board probably will have spent about \$14 million
14 cleaning up this mess.

15 Finally, we received some suggestions from the
16 public on some new approaches to consider when we start to
17 review the Five-Year Plan next month. And I would also
18 like to remind anyone interested that there will be a
19 workshop this Thursday at 10:00 in the Sierra Room to
20 discuss the proposed tire manifest changes.

21 That concludes my report.

22 CHAIRPERSON MOULTON-PATTERSON: Thank you, Ms.
23 Peace.

24 All the items on Special Waste were -- I'm sorry.
25 I'm going a little fast. We need to call the consent

1 calendar; correct?

2 BOARD MEMBER PAPARIAN: I'll move the consent
3 calendar.

4 CHAIRPERSON MOULTON-PATTERSON: Thank you very
5 much.

6 BOARD MEMBER WASHINGTON: Second.

7 BOARD MEMBER MARIN: Second.

8 CHAIRPERSON MOULTON-PATTERSON: And again, it's
9 Items 1, 2, 6 revised, 7 through 12 that are proposed for
10 consent.

11 Mr. Washington, did you second that?

12 BOARD MEMBER WASHINGTON: Yes.

13 BOARD MEMBER MARIN: I did.

14 CHAIRPERSON MOULTON-PATTERSON: Okay, Ms. Marin.

15 BOARD MEMBER WASHINGTON: Ms. Marin seconded
16 that.

17 CHAIRPERSON MOULTON-PATTERSON: We have a motion
18 to approve the consent calendar as read by Mr. Paparian
19 and seconded by Ms. Marin.

20 Please call the roll.

21 SECRETARY WADDELL: Marin?

22 BOARD MEMBER MARIN: Aye.

23 SECRETARY WADDELL: Mulé?

24 BOARD MEMBER MULÉ: Aye.

25 SECRETARY WADDELL: Paparian?

1 BOARD MEMBER PAPARIAN: Aye.

2 SECRETARY WADDELL: Peace?

3 BOARD MEMBER PEACE: Aye.

4 SECRETARY WADDELL: Washington?

5 BOARD MEMBER WASHINGTON: Aye.

6 SECRETARY WADDELL: Moulton-Patterson?

7 CHAIRPERSON MOULTON-PATTERSON: Aye.

8 At this time we will go to Permitting and
9 Enforcement, and Ms. Marin is Chair of that Committee.

10 Ms. Marin.

11 BOARD MEMBER MARIN: Madam Chair, the two items
12 that we had were actually for consent, but I understand
13 Ms. Peace is pulling 3. So I'm very excited to hear why
14 she pulled it.

15 It was very good. You know what I find most
16 amazing? There was a lot of concern about one particular
17 item, and staff was able to work really hard on Item
18 Number 2. And, to my surprise -- pleasant surprise, we
19 were able to come to an agreement with new language, and
20 everybody seems to be pretty happy about that. So I'm
21 delighted about that. Very, very short meeting as well,
22 Madam Chair. So we'll listen to Number 3.

23 CHAIRPERSON MOULTON-PATTERSON: Okay. Thank you.

24 BOARD MEMBER PEACE: I just wanted to say the
25 reason I pulled this item is not that I had any real big

1 problems with it. But just in keeping the full Board
2 protocol, the full Board should hear every permit before
3 it.

4 CHAIRPERSON MOULTON-PATTERSON: Okay. Thank you.
5 And with that we'll go to Mr. Levenson on Item Number 3.

6 DEPUTY DIRECTOR LEVENSON: Thank you, Madam
7 Chair. Good morning, Board members. Howard Levenson with
8 Permitting and Enforcement. Suzanne Hambleton from our
9 Permitting and Inspection Branch will make a short
10 presentation on this item. And if you have any specific
11 questions, we can go into more detail as needed.

12 SUPERVISOR HAMBLETON: Hi. I'm Suzanne
13 Hambleton. Thank you for this unexpected opportunity to
14 be before you.

15 I'm going to tell you about the Borrego Landfill,
16 the small landfill in the northeast corner of San Diego
17 County. It's owned and operated by Allied Waste
18 Industries.

19 Permitted tonnage is currently 50 tons per day.
20 That will not be changing in this permit revision. The
21 nearest resident is 1.8 miles away.

22 The proposed changes include a change in
23 acreage -- a small change in acreage, a change in the days
24 and hours of operation. A notice of exemption was
25 prepared by the lead agency for these small changes.

1 All of the required findings have been made, and
2 staff recommend that the Board concur in the proposed
3 permit and adopt Resolution 2004-210. Melissa Porter is
4 here representing the San Diego County LEA, and we can
5 answer any questions that you may have.

6 BOARD MEMBER PEACE: I guess I just have one
7 question. So the site was a burn dump in the '60s. Is
8 that correct? It was a burn dump in the '60s and it is
9 unlined. And, yet, there are no environmental documents
10 to be found anywhere, yet we exempt it from CEQA. Is
11 this, like, normal for these older landfills?

12 SUPERVISOR HAMBLETON: We're exempting the two
13 small changes that have occurred, which are, I believe, an
14 increase in something like three acres due to the fact
15 that waste was placed outside of the -- not outside of the
16 footprint, but outside of a mandatory buffer that
17 San Diego County has imposed on their facilities. But
18 there's no change in the existing footprint.

19 In terms of existing CEQA documentation, this
20 landfill was grandfathered in, I believe, '78 or '79. And
21 it is -- there are other landfills that this has occurred
22 with. So the exemption is just for these two small
23 changes. And the remoteness and the smallness of this
24 particular landfill is the reason why staff reviewed the
25 exemption as well as our Legal staff and agreed that was

1 the adequate CEQA documentation.

2 BOARD MEMBER PEACE: It will only require a new
3 environmental document when there is an expansion?

4 SUPERVISOR HAMBLETON: Yes, of course.

5 BOARD MEMBER PEACE: Thank you.

6 SUPERVISOR HAMBLETON: You're welcome.

7 CHAIRPERSON MOULTON-PATTERSON: Okay. Do I have
8 a motion, Mr. Washington?

9 BOARD MEMBER WASHINGTON: Just before I make a
10 motion, I would like to thank the landfill operators for
11 conducting -- I read when they conducted a May 11th public
12 hearing. I would like to just thank the operators for
13 conducting the public hearings that they had. The LEA, I
14 believe, went down to those folks and had a public
15 hearing. Down in one of the little towns down there
16 somewhere, they had a public hearing. And I understand it
17 went well. The comments were made. People had a chance
18 to exercise their opinion. They wanted to know was this
19 landfill going to expand and all those kinds of things. I
20 think that's what the nuts and bolts of this is about. So
21 I really want to thank them for doing that and thank the
22 staff for working on this.

23 SUPERVISOR HAMBLETON: Correct. That's the
24 hearing that's required according to AB 1497 that the LEA
25 had initiated and held.

1 BOARD MEMBER WASHINGTON: Great.

2 With that, Madam Chair, I'd like to move adoption
3 of Resolution 2004-210 revised.

4 BOARD MEMBER MULÉ: Second.

5 CHAIRPERSON MOULTON-PATTERSON: A motion by Mr.
6 Washington and seconded by Ms. Mulé.

7 Please call the roll.

8 SECRETARY WADDELL: Marin?

9 BOARD MEMBER MARIN: Aye.

10 SECRETARY WADDELL: Mulé?

11 BOARD MEMBER MULÉ: Aye.

12 SECRETARY WADDELL: Paparian?

13 BOARD MEMBER PAPARIAN: Aye.

14 SECRETARY WADDELL: Peace?

15 BOARD MEMBER PEACE: Aye.

16 SECRETARY WADDELL: Washington?

17 BOARD MEMBER WASHINGTON: Aye.

18 SECRETARY WADDELL: Moulton-Patterson?

19 CHAIRPERSON MOULTON-PATTERSON: Aye.

20 Ms. Marin.

21 BOARD MEMBER MARIN: Madam Chair, I just need
22 clarification as to how is it that we're going to be
23 bringing items and putting them on consent. I appreciate
24 the fact that any Board member can pull any item out of
25 consent. But I just need a specific guideline, because we

1 put the item on consent. And there was a 3-0, and it was
2 very, very clear that prior to not having Committees, all
3 of the items were for Board discussion, completely and
4 open, because there were no Committees. But when there
5 were Committees, even P&E when there was permits that had
6 a 3-0 or whatever, it was unanimous, it would
7 automatically go on consent. So I just need direction to
8 make sure that -- and I understand that any Board member
9 can pull any item at all. But I just need to have that
10 clarified.

11 CHAIRPERSON MOULTON-PATTERSON: I hear your
12 point. But in the past haven't all permits come to the
13 full Board?

14 EXECUTIVE DIRECTOR LEARY: Actually, Madam Chair,
15 we've done it both ways over the history of the Board.

16 CHAIRPERSON MOULTON-PATTERSON: We need to settle
17 it then.

18 EXECUTIVE DIRECTOR LEARY: We've had Committees,
19 and Committees have put it on consent. They've come to
20 the Board for consent when we didn't have Committees. The
21 Board has taken all those items up. We've had Committees,
22 and the Board has resisted the temptation to put them on
23 consent and taken them up at the full Board meeting. So
24 we have truly done it every way possible.

25 CHAIRPERSON MOULTON-PATTERSON: I think that's

1 something the Board needs to decide so it doesn't happen
2 again. And we'll talk about that.

3 Did you want to speak to that, Ms. Peace?

4 BOARD MEMBER PEACE: I just want to say it's my
5 belief that when it comes to permits, the full Board
6 should hear them before voting. But I guess we can talk
7 about that in closed. Is that something we can talk about
8 in closed session?

9 CHAIRPERSON MOULTON-PATTERSON: That wouldn't be
10 closed session. But since it's not agendized can we -- we
11 need to settle it, though. But I don't know that --
12 Ms. Carter, what would you recommend?

13 CHIEF COUNSEL CARTER: Madam Chair, the Legal
14 Office will be bringing to the Board an opportunity to
15 review some of these processes. And they are -- the ones
16 we'll be bringing to you are discretionary so you can look
17 at them again fresh and determine which would be best,
18 considering the current make up of the Board and how the
19 Committees are structured. And that will be happening
20 within the next month or so.

21 CHAIRPERSON MOULTON-PATTERSON: Okay. Thank you.

22 You know, I do think it's something we really
23 need to look at, because permits are so important. Some
24 way if we could know there was a 3-0 vote, but yet have a
25 brief presentation or something, I do think it's important

1 that we take a vote on the permits. But that's something
2 I'd like to hear from Legal first, and then we can make a
3 decision on that, but so we're not in that uncomfortable
4 position of not knowing.

5 Ms. Marin.

6 BOARD MEMBER MARIN: Madam Chair, the only reason
7 is because oftentimes -- and I'm doing it for the people
8 that maybe would not even come, because they know their
9 item is on consent and then to literally pull a fast one
10 on them.

11 CHAIRPERSON MOULTON-PATTERSON: We wouldn't want
12 to do that.

13 BOARD MEMBER MARIN: But I will follow the will
14 of the Board, but I think we need to be very clear.

15 CHAIRPERSON MOULTON-PATTERSON: I think so, too.
16 One thing that we have said, at least while I've been
17 Chair, is that anything is likely to come to the Board.
18 Do not take the Committee system as -- even if you get a
19 recommendation, don't take that as, you know, it's going
20 to be a done deal.

21 And I think when we had a report from the
22 Attorney General's Office, that special -- I can't
23 remember his name, but the expert on it, he cautioned us
24 about letting the Committee structure act as the Board.
25 And so I really want to take that into consideration.

1 I see your point, but I think it's really good so
2 we all understand the ground rules. So I'll be looking
3 forward to your legal opinion on that.

4 Okay. Thank you.

5 We did call the roll on that one, didn't we? I'm
6 on a little cold medication today. You've got to excuse
7 me. I'm a little stuffed up.

8 Anyway, okay. That brings us to the
9 Sustainability and Market Development section of our
10 agenda. And Mr. Paparian is the Chair of that Committee.
11 And I would like to ask him to report on his Committee.

12 BOARD MEMBER PAPARIAN: Thank you, Madam Chair.

13 We heard nine items in the Committee. One went
14 on fiscal consensus. Seven items were on consent. And
15 one discussion item was heard in the Committee only. That
16 one related to a plan that was put together for the Waste
17 Prevention and Market Development Division, and I think
18 what that really showed us is the remarkable amount of
19 work that the division is doing and a lot of the creative
20 thinking they've engaged in on what can be done more
21 effectively and efficiently over the next couple of years.
22 I think all the Committee really appreciated hearing that.
23 And I think there's a copy of the item in the binder, and
24 I'd recommend it to the members who didn't have a chance
25 to hear that presentation.

1 So the item that's coming before us, I think
2 we'll get the description of right now. It's an RMDZ loan
3 item.

4 CHAIRPERSON MOULTON-PATTERSON: Okay. Thank you,
5 Mr. Paparian.

6 Ms. Wohl.

7 DEPUTY DIRECTOR WOHL: Morning, Madam Chair and
8 Board member.

9 Agenda Item 4 is Consideration of the Recycling
10 Market Development Revolving Loan Program Application for
11 ITEC Environmental Group, Inc. This project is projected
12 to divert 15,000 tons of PET postconsumer plastic bottles
13 and create 45 new jobs. The facility will be located in
14 Riverbank, California, within the Stanislaus County RMDZ.
15 The proposed RMDZ loan will fund \$2 million, and staff
16 recommends that the Board approve Agenda Item 4 and adopt
17 Resolution 2004-221 in the amount of \$2 million.

18 CHAIRPERSON MOULTON-PATTERSON: Okay. Thank you.
19 Mr. Paparian.

20 BOARD MEMBER PAPARIAN: If there's no questions,
21 I'd like to move Resolution 2004-221.

22 BOARD MEMBER MARIN: Second.

23 CHAIRPERSON MOULTON-PATTERSON: We have a motion
24 by Mr. Paparian, seconded by Ms. Marin to approve
25 Resolution 2004-221.

1 Without objection, please substitute the previous
2 roll call.

3 That brings us to Item 14 that will also be
4 presented by Ms. Wohl.

5 But before she starts, just so we're really clear
6 on ex partes, I received for all the Board and I think
7 everybody got a copy of it -- I don't know if they got it
8 in time. But we did receive four faxes regarding Item 14
9 on the e-waste fee.

10 Number one, the National Resources Defense
11 Council, don't delay until February 2005 was the gist of
12 it.

13 Number two, Southern California Recyclers, Inc.,
14 supports delay.

15 Number three, Jane Bogner, Sierra Club, don't
16 delay.

17 And number four, Californians Against Waste
18 opposes the delay. However, Ms. Bruce did speak to
19 Mr. Murray after the e-mail and said he understood the
20 process our staff is suggesting, but he's here so he can
21 speak for himself, and he has a speaker slip.

22 And with that, I will turn it back over to
23 Ms. Wohl.

24 DEPUTY DIRECTOR WOHL: Yes. Agenda Item 14,
25 Consideration of Emergency Amendment Without Regulatory

1 Effect of E-Waste Regulation to Conform to Law Change in
2 AB 901. And I'd like to introduce Shirley Willd-Wagner,
3 and she'll be introducing Bob Conheim.

4 BRANCH MANAGER WILLD-WAGNER: Good morning, Chair
5 Moulton-Patterson and Board members. I'm Shirley
6 Willd-Wagner, and I'm heading up the Electronic Waste Team
7 here at the Board. And since we were last here in April,
8 I just wanted to update you on some of the activities.
9 We, of course, had two new members join the Board since
10 then, so I wanted to update you on the activities of the
11 Electronic Waste Team, which we finally refer to as the
12 E-Team.

13 This is truly an inter-divisional and
14 inter-departmental team. Mark Leary allocated resources
15 from the Special Waste Division, Waste Prevention Market
16 Development Division, the Legal Office, Policy Office,
17 Legislative Office. We have support, of course, from
18 Administration and Finance and Public Affairs Office, as
19 well as with the Department of Toxic Substances Control.

20 Mark has recently suggested -- has directed that
21 our team now be consolidated in the Waste Prevention and
22 Market Development Committee -- Division, and the impact I
23 wanted to mention and put on the record here for the
24 stakeholders is that we will now be coming with the waste
25 issues to the Sustainability and Market Committee, rather

1 than the Special Waste Committee in the future.

2 One of our main focuses over the past couple of
3 months has been in accepting and reviewing applications
4 from electronic waste recyclers and collectors who are
5 applying to us to be approved to participate in the
6 payment system identified in SB 20. In order accomplish
7 this, we've worked very closely with the Department of
8 Toxic Substances Control. The collaboration has been
9 necessary for the inspections and to verify the
10 information to ensure that collectors and recyclers are in
11 compliance and conformance with applicable laws and
12 regulations.

13 Also I had in my notes I was going to say exactly
14 what Mike Paparian already said earlier this morning,
15 acknowledging our staff in the computer services IMB
16 staff. For those new members, you probably may not know,
17 but we have the very best in the state and they were able
18 to develop a database for this whole process of accepting
19 and tracking applications from collectors and recyclers.
20 So I also wanted to acknowledge and appreciate that
21 support.

22 We've continued with our stakeholder
23 communication. We have a list serve distribution which
24 allows us to provide up-to-the-minute almost instantaneous
25 news to all of our stakeholders who have shown an interest

1 in and has subscribed to our list serve. This is really
2 necessary with the changes that happen hourly, daily in
3 the legislative process, the regulatory process with SB
4 20. And some of you may have seen over the weekend -- in
5 fact, there was a news story on KCRA Channel 3 talking
6 about electronic waste collection in the city of Lodi.
7 Our operators -- they gave the Board's phone number at the
8 end, the 341-6000 number. And I got several calls 7:00
9 Monday morning, we've got all these voice mails, what do
10 we tell them?

11 Because of the electronic waste directory that we
12 have on our database, our receptionists and staff were
13 able to answer phone calls from over 50 people yesterday
14 as a result of this story. There was free collection in
15 the city of Lodi, and everybody wanted to know where they
16 could get it next in Roseville and Rocklin and Elk Grove
17 and everywhere else.

18 So we got some good publicity out of that.
19 Unfortunately, we didn't have the advance knowledge so we
20 didn't have all of the scripted answers ready. But we
21 were able to refer people not only to our electronic
22 product directory, but also to our very successful
23 partnership that you may be aware of between Office Depo
24 and Hewlett-Packard to accept electronic devices from the
25 public free of charge through Labor Day. So we had a

1 couple of resources, which was really good for our
2 program.

3 Lastly, we're continuing to work on Senate Bill
4 50 by Byron Sher which are cleanup amendments to SB 20.
5 The last time we were before you, we mentioned we were
6 still continuing to work with the Board of Equalization
7 that may collect the fee. If SB 50 does pass, the Board
8 of Equalization will be required to collect the fee. So
9 we're working very closely with them, meeting with them to
10 ensure that language in SB 50 reflects their needs, what
11 will make it both efficient and effective to collect the
12 fee and also to be able to respond to questions from the
13 stakeholders.

14 I wanted to make sure that you realize that as
15 these things do change daily, the staff of the E-Team is
16 available to you to answer any clarification questions.
17 Any issues that may come up, be sure to contact anyone or
18 myself on the team.

19 I mentioned the inter-divisional support. And
20 certainly one of the great benefits has been having a
21 Senior Staff Counsel assigned to the Electronic Waste
22 Team. Bob Conheim not only provides us with good sound
23 guidance and advice, but also humor when we need it. It's
24 been an overwhelming project. Bob's got a real good even
25 sense of humor that keeps us going. He's going to present

1 today's item.

2 So I'll turn it over to Bob at this time. Thank
3 you.

4 CHAIRPERSON MOULTON-PATTERSON: Thank you.

5 STAFF COUNSEL CONHEIM: Thank you, Patty and
6 Shirley and Board members. I'm Bob Conheim of the Legal
7 staff. I've never heard my sense of humor described as
8 even handed or anything but perverted, but I've tried real
9 hard to keep us on an even keel.

10 This is a very difficult law to implement. But
11 what I'm bringing to you today is, by definition, by legal
12 definition, a very simple change to a single regulation in
13 the regulations that you adopted for the program in April.
14 And the reason we're bringing this to you is that the
15 regulation that we are proposing to ask you to approve to
16 change is the regulation that established a date from
17 which time covered electronic waste could be eligible to
18 be collected and would be eligible for payment under the
19 system established by SB 20.

20 Because AB 901 in the spring signed June 30th at
21 about 6:30 p.m. changed the date for the beginning of the
22 payment of the covered electronic waste recycling fee from
23 the next day, July 1, 2004, to November 1st, 2004, the
24 regulation that you adopted in April establishing October
25 1st as the date from which covered electronic waste would

1 be eligible for payment under the system was out of sync
2 with the statute. When you adopted that regulation, you
3 established a --

4 (Thereupon an overhead presentation was
5 presented as follows.)

6 STAFF COUNSEL CONHEIM: There we go. It's fine.
7 Thank you for doing that. I actually forgot it was there.

8 When you adopted that regulation, you established
9 a 90-day period between the beginning of fee payment by
10 consumers to the point at which covered electronic waste
11 would be eligible for payment under the system. It gave a
12 90-day fund accumulation period.

13 So what we're proposing to you today in this
14 regulation is to move the start of that payment
15 eligibility date to February 1st, 2005, to continue and
16 maintain the 90-day period, the three-month period, from
17 the beginning of the fee collection date to the beginning
18 of the payment system eligibility date.

19 We can do this both as an emergency regulation,
20 because we don't have a lot of time before October 1st,
21 and as a regulation without -- as a regulation change
22 without regulatory effect, a so-called Section 100 change.
23 And a Section 100 change refers to regulations of the
24 Office of Administrative Law which allows for an
25 abbreviated and expedited process for changing

1 regulations, which, once changed, have no legal difference
2 than the regulation that was in effect before the change.

3 And in fact, what I would like to explain to you
4 and show you on the slide -- there are two slides. I'll
5 toggle between the two of them -- is that if you approve
6 this regulation, you are merely maintaining the
7 three-month period between the beginning date for the
8 payment of the covered electronic waste recycling fee and
9 the start of the period of time after which recyclers can
10 submit claims for covered electronic waste which they are
11 recycling. So we're actually changing nothing legally by
12 doing this, and that's what we're proposing to you.

13 The earlier regulations were subject to a
14 categorical exemption under the California Environmental
15 Quality Act in this regulation as an administrative
16 regulation is also subject to that exemption. The
17 exemption is reflected -- use of that exemption is
18 reflected in the resolution that you are being asked to
19 consider.

20 I'll call your attention to the slides, and let
21 me just show you the second one. Let me see if I can get
22 to it here.

23 --o0o--

24 STAFF COUNSEL CONHEIM: There's two slides. I'll
25 go back to the first one. In the top bar, this was

1 prepared by Jeff Hunts who, whenever body had a dropped
2 jaw about who knew how to do Power Point in this manner,
3 everybody said, "I don't know. I don't know. I don't
4 know," Jeff said, "I don't know, but I'll do it." And he
5 did it. So he deserves recognition for that.

6 CHAIRPERSON MOULTON-PATTERSON: Thank you.

7 STAFF COUNSEL CONHEIM: As you can see from the
8 blue box, fee collection begins under the SB 20, it
9 began -- it was to begin July 2004. Then there would have
10 been a three-month revenue accrual period until October
11 when the covered electronic waste collection payment
12 system would have kicked in. What we're proposing -- I'm
13 going to skip over the second bar.

14 --o0o--

15 STAFF COUNSEL CONHEIM: What we're proposing is
16 to maintain the exact same relationship between the fee
17 collection date and the covered electronic waste
18 collection and payment system start, the same three-month
19 interval.

20 --o0o--

21 STAFF COUNSEL CONHEIM: But if we don't do it,
22 what we have is a revenue gap. The collection actually
23 would begin 30 days before the new fee collection would
24 begin. And as you know, you can't pay out of a fund for
25 which there's no money. So what I'm proposing to you,

1 what we, as staff, are recommending is what we consider to
2 be this minor regulatory change, which is fiscally
3 responsible which doesn't change the legal relationship
4 between the dates that are spawned by AB 901, the new
5 law --

6 --o0o--

7 STAFF COUNSEL CONHEIM: -- allows the collection
8 system to begin at a time and for payments to begin after
9 funds are deposited in the account.

10 And at this point, I'd like to make myself
11 available for questions. This has been difficult to
12 explain to you. So I'm certain I've not been as clear
13 as --

14 CHAIRPERSON MOULTON-PATTERSON: Mr. Washington
15 has a question.

16 BOARD MEMBER WASHINGTON: Thank you, Madam Chair.

17 Just so I can be clear, we're talking about two
18 dates here, dates consumer paid and dates we paid the
19 recyclers.

20 STAFF COUNSEL CONHEIM: That's correct.

21 BOARD MEMBER WASHINGTON: So you're saying that
22 we need to change the date because there will be no money
23 in the fund to pay this if we don't use this delay
24 process; is that correct?

25 STAFF COUNSEL CONHEIM: That's also correct, yes.

1 BOARD MEMBER WASHINGTON: So I would like to hear
2 from those who are opposing this as to why wouldn't you
3 want the money there? Because if we continue to do this,
4 it sounds like we don't have any money to pay anyway. I
5 mean, I'd like to hear from those who are in opposition to
6 why we wouldn't delay this.

7 CHAIRPERSON MOULTON-PATTERSON: Mr. Paparian.

8 BOARD MEMBER PAPARIAN: Thank you, Madam Chair.

9 And there is a cash flow issue. I think on one
10 of the slides it showed that the money wouldn't be coming
11 in until around May from the BOE collection. They're
12 going to allow the collections to occur for five months
13 before the money is transmitted to the state. So I think
14 this gets at the issue of whether we can identify another
15 pot of money to cover our payments out in anticipation of
16 the money coming in in May.

17 BOARD MEMBER WASHINGTON: Is there a pot of
18 money?

19 BOARD MEMBER PAPARIAN: Basically, whatever we
20 can borrow from the general fund or some other fund in
21 order to cover those anticipated revenues. And I think
22 that gets to the heart of the question about when we can
23 start the payments. You know, I think all of us would
24 love to start the payments on the day that the fees are
25 collected. But if there's no money in the checking

1 account, we can't do that. We have to find a source of
2 money to put in that checking account. And we might get
3 into that a little bit more a little bit later after --

4 BOARD MEMBER WASHINGTON: We're going to borrow
5 from Peter to pay Paul type of thing.

6 BOARD MEMBER PAPARIAN: Yeah. I think over a
7 year and a half or two years it ought to all work out.
8 I've seen the spreadsheets and stuff. The problem is in
9 this first fiscal year, which ends June 30th, we only have
10 one payment to BOE in May covering five months of
11 payments.

12 STAFF COUNSEL CONHEIM: The only thing that we
13 know at this point -- the only thing that we know is that
14 the date for the beginning of collection of the fee from
15 consumers has moved to November 1st. That's the single
16 fact that we know. We know that we are seeking answers to
17 questions about whether there's other money available or
18 just how the collection system is going to work.

19 What we also don't know at this point is what
20 changes SB 50 may make in this regard and the problem with
21 our waiting on the supposition there will be an SB 50
22 signed is that the timing of bringing this item to you
23 requires that I propose it to you this month, because by
24 next month I wouldn't have time to propose to you
25 something that would be effective October 1st. So all

1 we're proposing is just the simple change based on the
2 single fact we know, the November 1st fact.

3 BOARD MEMBER PAPARIAN: As you say, Bob, there
4 are some things you don't know. One of them would be
5 whether another pot could be identified and authorized by
6 the Department of Finance. There's been some speculation
7 that our friends at the Department of Conservation may be
8 sitting on some money. There's been some speculation that
9 others may be sitting on some money that we can borrow to
10 cover this. But that money has not been identified or
11 allocated in any way yet.

12 If some of those funds were identified and
13 allocated and made available for this, my understanding is
14 that we could come back and adopt an emergency regulation
15 to move up the date from February, if we had the money to
16 cover it, and that we could adopt that emergency
17 regulation at virtually any of the Board meetings coming
18 up, and they could take effect on the first of the month
19 following any Board meeting.

20 STAFF COUNSEL CONHEIM: That's an accurate
21 statement. It takes 10 or 15 days. There's a legal
22 10-day review period by Office of Administrative Law.
23 Let's call it 15 days for paperwork processing. So we
24 could be responsive to you, Board members, in proposing
25 new legal authority if there was new law or new facts that

1 occurred at any time. And we're prepared to be as
2 responsive as the law allows us to be with following all
3 of the processes. But we can abbreviate them. There are
4 abbreviated processes, emergency reg processes available.

5 CHAIRPERSON MOULTON-PATTERSON: Thank you.

6 And Mr. Paparian, thanks for pointing that out
7 and putting it so clearly.

8 Ms. Peace and then Ms. Marin.

9 BOARD MEMBER PEACE: So I guess from what I
10 understand, what we're proposing today is just a temporary
11 fix, depending on what happens with SB 50, and that we
12 might have to come back and change it again depending on
13 what happens with the bill.

14 STAFF COUNSEL CONHEIM: That's correct. I mean,
15 it's permanent if nothing else changes, or it's permanent
16 until the Board decides to do something else. But this is
17 a change that we are able to propose to you based on
18 Section 100 and emergency regs based on this legal status
19 quo existing at this time. And we can bring -- we can be
20 responsive to other legal or fiscal availability changes.

21 CHAIRPERSON MOULTON-PATTERSON: Thank you. I
22 think we understand that now.

23 Ms. Marin.

24 BOARD MEMBER MARIN: Madam Chair, the only thing
25 I understand very, very clearly is that we need to do

1 this, and this is erring on the side of caution. Because
2 if we do not do this and then other things happen, then we
3 would not have the time to be able to respond. So as far
4 as I'm concerned, this enables us to respond in the most
5 appropriate way when we have more known facts.

6 Today, the only thing we know is that the
7 collection fee from consumers changed three months. And
8 based on that, this would give us the cushion that we need
9 to be able to respond appropriately when other things
10 change. So --

11 CHAIRPERSON MOULTON-PATTERSON: Great. Okay. I
12 don't see any other questions so we're going to go to the
13 public speakers.

14 Mark Murray, Californians Against Waste.

15 MR. MURRAY: Madam Chair, Members, Mark Murray
16 with Californians Against Waste. And I appreciate the
17 time that I've had. In the last 24 hours, had an
18 opportunity to talk with a number of your staff and a
19 number of Board members about this issue and appreciate
20 the time and the thoughtfulness that you've given me on
21 this.

22 And I understand and accept the need to pursue
23 the Section 100 process for this delay beyond October 1st.
24 I recognize that it doesn't make sense to use that October
25 1st date in the context of a November 1st payment by the

1 consumer date. So I understand that. I accept that.

2 The issue that I think that we all need to
3 jointly be pursuing, both legislatively and
4 administratively, is figuring out how the Board is going
5 to have the resources to pay recyclers, whether it's
6 January 1st, November 1st, or February 1st.

7 I think that Jeff's spreadsheet or chart up there
8 is very helpful. If you look at that chart, you see that
9 the Board will not be receiving -- under the scenario, the
10 Board will not be receiving funds from the Board of
11 Equalization until May at the earliest. That means that
12 there is a gap between the February 1st date and the May
13 date. So you won't have the money to pay recyclers even
14 on that date. Again, that's a cash flow problem.

15 I think that given the commitment that recyclers
16 have made in California, we need to make every effort to
17 coincide the dates of the consumer payment and the
18 opportunity for the consumer to get that free recycling.
19 And that would be coinciding that those two dates, whether
20 that's November 1st or January 1st.

21 Mr. Conheim said that the one thing we know as a
22 fact is that the consumer payment will start on November
23 1st. And I'm frankly concerned that that fact may be
24 sliding a little bit and that the Board of Equalization
25 has, again, lost their enthusiasm for collecting the fee

1 on November 1st. And, again, I think, you know, we were
2 in error in not forcing them to do that collection on
3 November 1st.

4 So I think at this point I understand why you
5 need to take that action using the Section 100 rule. But
6 I want to continue to work with your staff, with Mark and
7 with Julie, to figure out how can we put on the table in
8 SB 50 not only the cleanup legislation that needs to be in
9 that bill, but in the statute putting the two dates
10 together, the consumer payment date and the recycler
11 payment date, so a consumer that goes to a Best Buy and
12 buys a new computer and finds out they had to pay a fee
13 and that afternoon wants to go to a drop-off recycling
14 center to drop off their old computer doesn't get tagged a
15 second time so they're paying two fees in the same day or
16 during the same period of time.

17 So, again, I understand why you have to make
18 this. I'm opposed to the notion from a policy perspective
19 of having a three-month gap between the pay-in and the
20 pay-out. I understand why out of an abundance of caution
21 given what we know right now that's the policy you need to
22 pursue right now. But I'm asking the Board to direct your
23 staff and to have your staff, frankly, continue to work
24 with me on trying to identify those funds that the Board
25 could have the authority to borrow so we can make those

1 two dates coincide. Again, be it November 1st ideally, or
2 worst-case scenario given the disposition of the Board of
3 Equalization, January 1st.

4 CHAIRPERSON MOULTON-PATTERSON: Thank you,
5 Mr. Murray. And that's a good point.

6 And I certainly would direct our staff to
7 continue to work with Mr. Murray on this, because I
8 certainly am in agreement with him on that.

9 With that -- oh, Ms. Hunter, you have a speaker
10 slip here. Now did you want to speak now or wait until
11 the public comment part? We'd love to hear you now,
12 because you are pretty much the last speaker.

13 MS. HUNTER: Good morning. Thank you. Yvonne
14 Hunter with the League of California Cities.

15 And as much as, similar to what Mark said, I
16 would like to say no, no, don't change the date, it is not
17 fiscally prudent for you to do that. And, clearly, this
18 is the proverbial between a rock and a hard place. And if
19 you did anything else, I think you would be breaching your
20 fiduciary responsibility.

21 With that being said, though, I would like to
22 echo what Mark said. First of all, I know the Board
23 members themselves, CalEPA agency, and your staff are
24 working as hard as you can to explore a number of avenues
25 for getting BOE to move smartly along, for a loan, and I

1 think that's laudable. I think if there is anything the
2 various stakeholders can do in the sense of coalition
3 letters or whatever to help in that process, I know we're
4 all happy to do that.

5 I think that the difficulty is going to be --
6 and we've discussed this when the original regulations
7 were adopted. The tension between the consumer paying the
8 fee on a certain date, having the program advertised as
9 free and convenient, yet the collectors, which are both
10 private companies as well as primarily public agencies,
11 not getting paid until later.

12 Now, if there is some potential down the line, if
13 it is fiscally prudent, to be able to get reimbursed
14 retroactively for what you did collect early on, that
15 would be something we think would be appropriate for the
16 Board to consider. But you have no options right now.

17 So I think we support this proposal. If
18 something changes, I'm heartened to hear Bob say next
19 month, assuming a loan comes through, you could adopt
20 another regulation. So I think your staff has done a
21 great job. You have all done a great job. So let's hope
22 that we find a pot of money. Maybe we should all by
23 lottery tickets. Thank you very much.

24 CHAIRPERSON MOULTON-PATTERSON: Thank you, Ms.
25 Hunter. Thank you for being here and letting us know your

1 position.

2 Okay. Mr. Paparian. Item 14, you want to --

3 BOARD MEMBER PAPARIAN: Thank you, Madam Chair.

4 And I think I'm sensing from my fellow Board
5 members a general agreement that if we can identify the
6 pot of money that would make this work, I think we all
7 would love to see or desire to see the payments to
8 collectors happen at the same time the fee collection
9 starts.

10 You know, I'm very sympathetic to the scenario
11 Mr. Murray suggested where someone buys a new television
12 or monitor, pays a fee on it, takes their old one down and
13 has to pay another fee because this program hasn't kicked
14 in yet. I would not be a happy consumer if I was in that
15 position.

16 To the extent we can re-double our efforts to
17 find those pots of money -- and I'd also encourage the
18 supporters of this program to continue to work with us.
19 We'll continue to work with you. And you may have to also
20 do some of your magic in other ways as well to try to put
21 the pressure necessary to try to identify and utilize some
22 of those funds.

23 So, you know, I think we're all there. That's
24 what we would like to see if we can make it happen. But
25 this is what we've got before us and what we need to do.

1 So I'll move Resolution 2004-212.

2 BOARD MEMBER MARIN: Second.

3 CHAIRPERSON MOULTON-PATTERSON: Okay. We have a
4 motion by Mr. Paparian, seconded by Ms. Marin to approve
5 Resolution 2004-212.

6 Without any objections, please substitute the
7 previous roll call.

8 Our last item, we're going back to Special Waste.
9 It's Item 15. I understand, Mr. Lee, this is a brief
10 item.

11 DEPUTY DIRECTOR LEE: Yes, it is.

12 CHAIRPERSON MOULTON-PATTERSON: The reason I say
13 that is I don't think we'll take a break right now, unless
14 it's going to be long.

15 DEPUTY DIRECTOR LEE: No, Madam Chair. This
16 should be a brief item.

17 Board Item 15 is Consideration of Amendment to
18 the Award of Fiscal Year 2004/2005 Tire Fund for the Tracy
19 Tire Contract, IWM-C2017.

20 The purpose of this agenda item is to allow the
21 Board to formally approve a \$1.7 million increase to the
22 Sukut Engineering contract for fiscal year 2004/05 to
23 reflect previous Board direction and fund allocations in
24 the Five-Year plan. This item was heard by the Special
25 Waste Committee and recommended for fiscal consent. Staff

1 recommends the Board approve Resolution 2004-223.

2 CHAIRPERSON MOULTON-PATTERSON: Okay. Thank you.

3 Ms. Peace.

4 BOARD MEMBER PEACE: If there aren't any
5 questions, I'd like to move Resolution 2004-223,
6 Consideration of the Amendment to Award Fiscal Year
7 2004/2005 Tire Funds for the Tracy Tire Fire Contract.

8 BOARD MEMBER WASHINGTON: Second.

9 CHAIRPERSON MOULTON-PATTERSON: We have a motion
10 by Ms. Peace, seconded by Mr. Washington to approve
11 Resolution 2004-223.

12 Without objection, please substitute the previous
13 roll call.

14 Thank you, Mr. Lee.

15 And that concludes the public part of our agenda.

16 I'm not going to give any advise to whoever the
17 new Chair is, with the exception of don't get in the way
18 of Board members and lunch. So that's why I'm going to
19 open it up.

20 Mr. Leary, how long are you going to need?
21 Because some would like to do it before lunch and take the
22 time than take a late lunch and others might not. Could
23 you give us a brief -- I mean, a general idea of about how
24 long you need.

25 EXECUTIVE DIRECTOR LEARY: Madam Chair, a little

1 bit of a down side is I need a little bit of time to get
2 ready for closed session. And then closed session itself,
3 I imagine, will take somewhere in the neighborhood of an
4 hour to two hours, depending on the level of discussion.
5 So if I could make a recommendation, it would be to maybe
6 take an early lunch and maybe re-gather at 12:30 or
7 whatever the Board cares to do.

8 CHAIRPERSON MOULTON-PATTERSON: Some have some
9 conflicts. Let me hear from the Board members. But thank
10 you for giving us that time estimate.

11 Mr. Washington.

12 BOARD MEMBER WASHINGTON: I just have a meeting
13 from 12:15 to about 1:00 so --

14 CHAIRPERSON MOULTON-PATTERSON: So would you
15 rather re-convene at 1:00 and have our closed session
16 then? And that would give you enough time, Mr. Leary?

17 EXECUTIVE DIRECTOR LEARY: I'd appreciate that,
18 Madam Chair.

19 CHAIRPERSON MOULTON-PATTERSON: We will
20 re-convene for our closed session at 1:00. And probably
21 about an hour, two hours. And I know the Board had asked
22 for that, for a full explanation. So that's why it's a
23 little longer than usual. Thank you very much everybody.

24 (Thereupon the California Integrated Waste
25 Management Board, Board of Administration

1 recessed into closed session at 11:01 a.m.)
2 (Thereupon the California Integrated Waste
3 Management Board, Board of Administration
4 adjourned at 3:15 p.m.)
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 CERTIFICATE OF REPORTER

2 I, TIFFANY C. KRAFT, a Certified Shorthand
3 Reporter of the State of California, and Registered
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the
6 foregoing hearing was reported in shorthand by me,
7 Tiffany C. Kraft, a Certified Shorthand Reporter of the
8 State of California, and thereafter transcribed into
9 typewriting.

10 I further certify that I am not of counsel or
11 attorney for any of the parties to said hearing nor in any
12 way interested in the outcome of said hearing.

13 IN WITNESS WHEREOF, I have hereunto set my hand
14 this 25th day of August, 2004.

15

16

17

18

19

20

21

22

23 TIFFANY C. KRAFT, CSR, RPR

24 Certified Shorthand Reporter

25 License No. 12277